# TOWN OF BROOKLINE DRAFT COMMUNITY CHOICE AGGREGATION PLAN Frequently Asked Questions

### Introduction

At the Fall 2015 Town Meeting, the Board of Selectmen was authorized to commence a Community Choice Electricity Aggregation Program and contract for electric supply for Brookline residents and businesses under Massachusetts General Law Chapter 164 Section 134. In addition, a resolution was passed to increase participants' use of renewable sources of electricity by an estimated 25 percent of retail sales.

On April 26, 2016, the Board of Selectmen voted to subscribe to Metropolitan Area Planning Council's (MAPC) energy broker procurement program and to sign an agreement to work with MAPC-selected energy broker, Good Energy. Good Energy has prepared a draft aggregation plan for the Town that will be reviewed by the Commonwealth's Department of Energy Resources (DOER) and eventually approved by Department of Public Utilities (DPU) to ensure that consumers' rights are fairly represented by the plan.

Before the aggregation plan is submitted to DPU for approval, the Planning Department and Climate Action Committee are preparing resources for consumer education beginning with a Board of Selectmen's public hearing on June 7, 2016. After hearing public comment on the draft plan, the BOS is scheduled to vote on submitting the plan to DPU on June 21.

Please download the <u>Draft Community Choice Aggregation Plan</u> and submit your comments to the Board of Selectmen at <u>pparks@brooklinema.gov</u>. The public comment period on the draft aggregation plan closes on June 17, 2016 at 5:00 pm.

If you have any questions about the aggregation plan or process, contact Senior Planner Maria Morelli at mmorelli@brooklinema.gov.

### **Electricity Aggregation Plan**

### 1. What is Community Choice Aggregation?

Community Electricity Aggregation is a program in Massachusetts that empowers cities and towns to create large buying groups of residential and business electricity accounts in order to purchase electricity in bulk. Massachusetts General Law 134(a) was enacted to ensure that the benefits of energy deregulation were passed onto residential customers and businesses by providing the ability to aggregate their accounts within their municipal boundaries in order to obtain competitive bids from Third Party Suppliers. The buying group can also be composed of residents and businesses of one or more other municipalities.

## 2. What are the goals of Brookline's Community Choice Aggregation (CCA) Program?

- Reliable electricity supplier
- More renewable energy options
- Longer-term price stability
- Consumer protection and transparency

Implementing this plan will not affect the level of service provided by Eversource, the utility company that distributes electricity to Brookline customers.

### 3. How does CCA work?

At the November 2015 session of Brookline Town Meeting, two Warrant Articles passed authorizing the Board of Selectmen to develop a Community Electricity Aggregation program and to increase participants' use of renewable sources of electricity approximately 25 percent above the total renewable energy content available from Eversource.

The Board of Selectmen subsequently voted to establish a Community Electricity Aggregation program consistent with the Town Meeting Warrant Article. Brookline is working with an energy broker, Good Energy, L.P., to seek bids from Third Party Suppliers to obtain competitive electricity rates for participants. Residents and businesses will be able to opt out of the program during a 30-day period at the onset of the program or leave the program at any point with no termination penalty.

### 4. What does CCA mean for Brookline?

Brookline will be able to lower its carbon footprint by seamlessly switching to cleaner sources of electricity through CCA. Electricity generation is a major source of climate change-causing pollution. Increasing our renewable sources of electricity through CCA is the <u>single, biggest</u> step that Brookline can take to significantly reduce its reliance on fossil fuels and have an impact on climate change right now. In fact, preliminary calculations estimate we can cut our carbon pollution by 8% without any change to infrastructure.

This means electricity will continue to arrive using the same wires as today. The only change will be that more electricity will come from high quality renewable sources, such as solar, wind, and digester gas, and less of the electricity we buy will come from fossil fuel sources.

In addition, the CCA process provides consumer protection and transparency as the final plan must be reviewed and approved by the Massachusetts DPU.

### 5. What options will be offered within the CCA plan?

The plan will offer a Standard Product as well as two options. You'll be automatically enrolled in the Standard Product, or you can select from one of the two alternative products.

### Standard Product - Brookline Local Green

You'll be automatically enrolled in Brookline Local Green. No selection is required. This will increase your use of renewable energy by an estimated 25% of total electricity purchased.

Or, you can select one of the following options as an alternative to the Standard Product:

### • Brookline Premium Local Green

If selected, this option provides up to 100% renewable energy.

#### • Brookline Basic

If selected, this option has the same amount of renewable energy as Eversource's basic service.

### 6. How much will Brookline Green cost?

Currently most Brookline residents get about 25% of their electricity from nonfossil fuel sources. This will increase to around 50% with Brookline Green. The average Brookline household can expect to pay about \$7 more per month for Brookline Green. Smaller households should expect to pay less.

Because electricity billing is based on actual usage, the less electricity consumed, the less additional cost will be incurred on your monthly bill. By law, any household can easily opt out at any time at no cost, and can opt in later if they choose.

### 7. When will CCA go into effect?

The Community Choice Aggregation subcommittee expects enrollment to occur this coming December. The CCA electricity supply will start in January 2017.

### 8. Will CCA include both electricity and natural gas?

No, the plan only applies to electricity.

### 9. Can businesses participate in the plan?

Yes, any account currently on Eversource basic service is eligible and will be automatically enrolled in the Standard Product, unless you choose one of the alternative products or to opt out of the program.

### 10. How do I know the CCA rate will always be below the utility rate?

The Town is working with a consultant with extensive knowledge of how utility tariff rates are determined, and will structure a term with the goal of providing annual savings throughout the term of the contract. However, lower cost, while possible, cannot be guaranteed because there is no way to definitively predict future rates.

### 11. What will be the duration of the Town's contract?

The Town will sign a contract with a term between 12 and 36 months. The price will not change for the entire term, which will provide longer rate stability. The actual term will be determined during the bidding process.

### 12. What if I have a solar panel system?

Having a solar system does not preclude you from participating. If you are receiving any supply from Eversource, you are able to participate in the aggregation program.

# 13. I am currently receiving offers from Third Party Suppliers promising lower electricity rates. What should I do?

Third party suppliers are currently marketing very actively within the Commonwealth. This is due to the recent significant increases in electricity rates for all utilities within Massachusetts. We strongly advise any household or business to read the complete contract fine print and have a clear understanding of any termination penalties along with rate details before agreeing to purchase electricity from third party suppliers.

### 14. I am already signed up for green electricity. Should I be part of the CCA instead?

If you have a contract for green electricity, check with your green electricity supplier regarding the terms of your contract. If you are signed up for green electricity and do not have a contract, ask your green electricity supplier for a recommendation.

### **Electricity Billing**

### 1. How does Community Choice Aggregation (CCA) impact my electricity bill? Participants will see no change in their utility bill other than a change in price for

energy supply. They will continue to receive a single bill, make one payment, and continue to receive the same quality of service from Eversource.

### 2. Will my single bill come from Eversource?

Yes.

### 3. What part of my bill will this program affect?

Your electricity bill has two cost components – delivery and supply. The aggregation program only changes the supply component of your bill. The delivery portion of your bill will not be affected.

### 4. When will I begin seeing a change in my electricity bill?

The Community Choice Aggregation subcommittee expects enrollment to occur this coming December. The CCA electricity supply will start in January 2017. Changes will appear on the first billing cycle after enrollment.

# 5. Under the program, can I continue to participate in my utility's budget billing/equal payment plan?

Yes.

# 6. How will I be notified that my account(s) was successfully enrolled in the Community Electricity Aggregation program?

Each customer will receive a written notification after the bid informing them of the winning supplier's price compared to the local utility's, and the account holder's right to opt out. In addition, after the 30-day opt-out period has ended, each account holder will receive a letter from Eversource confirming enrollment and that supply service will soon be switched to the winning supplier.

### 7. Who do I call if there is an outage or issues with my electricity bill.

All service and billing questions will continue to be directed to: Eversource at (800) 592-2000.

### 8. Is there any change to my meter? If so, who reads the meter?

There are no changes to your current meter. Your local utility continues to read your meter.

### 9. Is there a deposit required?

No.

### **Consumer Protection**

1. I've always relied on the electric company. Can I trust Community Choice Aggregation (CCA)?

Yes. Brookline Community Choice fully complies with Massachusetts General Law Chapter 25A, Section 6 and Chapter 164, Section 134(a).

The Town is developing a detailed Municipal Aggregation Plan in consultation with the Massachusetts DOER. The plan will be submitted to the Massachusetts DPU for final review and approval before the Town begins the process of bidding to select an electricity supplier.

Massachusetts law requires the plan to provide universal access, reliability, and equitable treatment of all customers. It will meet all the requirements established by the Commonwealth and the DPU concerning aggregated electricity service.

### 2. How do I signup for CCA?

If you currently get your electricity supply from Eversource you won't have to do anything. You'll automatically be enrolled in the Brookline Green default option.

### 3. Do I have to participate in CCA if I don't want to?

No. Residents and businesses can opt-out without penalty during the 30-day opt-out period. Opt-out notices will be provided via USPS mail before the CCA program starts. Simply return the opt-out notice within 30 days and your account(s) will not be included.

### 4. What if I want to leave the CCA program after I'm enrolled?

Residents and businesses enrolled in the CCA will be able to leave the program at any time without having to pay any early termination or exit fees.

### 5. Do I have to sign a contract?

No. There is no contract to sign and you can opt-out at any time without any early termination or exit fees.

6. I used to buy electricity from Eversource but then I switched to a different supplier. A few months later, my rate increased and I was paying much more than what Eversource was previously charging me. How do I know this won't happen if I participate in this program?

The Town will sign a contract with a term between 12 and 36 months. The price will not change for the entire term. The actual term will be determined during the bidding process. This will provide the benefit of longer rate stability.

7. What happens if there's an interruption to electricity service in Brookline? Will it take longer to restore my electricity if I join CCA?

No. You'll be treated the same as everyone else. Eversource will still be responsible to deliver your electricity. You would still contact Eversource for any service interruptions.

### 8. Will I be charged a higher delivery rate?

No. You'll pay the same for delivery with CCA as you would with Eversource or any other electricity supplier. Utility delivery rates are regulated by the Commonwealth and the Federal Energy Regulatory Commission.

### 9. How can I get more information about the CCA program?

The Town and Good Energy will be hosting numerous public meetings and information sessions and creating online and print resources that will include Good Energy's contact information. Please check for announcements from the Town and local news outlets. In the meantime, please contact Senior Planner Maria Morelli at mmorelli@brooklinema.gov.

### 10. What if the selected electricity supplier is sold or goes out of business?

The Town's due diligence process will require bidding suppliers to meet strict qualification requirements. Among other things, it will require suppliers to demonstrate financial strength, experience, as well as customer service capabilities. This process minimizes any chance of a supplier going out of business. If the supplier is bought, the purchasing entity will continue to provide supply service under the existing contract terms.

### **Bids for Competitive Supplier**

### 1. Who is Good Energy?

The Town hired Good Energy, LP to design and operate the Brookline Community Choice Aggregation program. Good Energy is a leading national energy management and consulting firm that has been implementing large and small community electricity aggregation programs in various states across the country since 2008. It is headquartered in New York City and is currently the retained municipal aggregation consultant for over 160 communities in various states.

### 2. What is the Town's role in selecting an electricity supplier?

The Board of Selectmen will make the final decision regarding the selection of the electricity supplier based on the results of a bidding process carried out by its energy broker, Good Energy, LP.

### 3. How can we be sure that a competent and reputable supplier will be selected?

Only third party suppliers licensed by the Commonwealth will be eligible to bid. In addition, Good Energy will issue an in-depth request for proposal to interested third party suppliers, requiring them to provide their qualifications. Among other things, the request requires suppliers to demonstrate financial strength, experience, and customer service capabilities.

### 4. Will Eversource be eligible to bid?

No. By law, utilities are not permitted to bid. Eversource will be the default supplier if you decide to not participate in Community Choice Aggregation (CCA). Eversource will always be responsible for delivering your electricity, no matter which supplier you choose.

5. What administrative functions will the Town perform to support this program? Good Energy will be responsible for managing the program while keeping the Town fully informed.

### 6. Will the Town pay any administrative fees?

No. Good Energy's fee (\$0.001 per kWh) will be included in the price of electricity supplied through CCA. This rate translates to \$0.50 per month for a typical Brookline household that uses 500 kWh per month. Good Energy's responsibilities include plan development, the electricity supplier bidding process, and public outreach and education.

### 7. Will the Town profit from the program?

No. The Town is not financially involved in the program.

### **Estimated Timeline**

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| November 2015      | Town Meeting approves Warrant Article 13 (aggregation) and |
|                    | Warrant Article 14 (renewable energy goals).               |
| January 2016       | MAPC selects energy broker, Good Energy.                   |
| April 26, 2016     | BOS signs agreement with MAPC's selected energy broker.    |
| May 13, 2016       | Energy broker drafts aggregation plan.                     |
| June 2016          | DOER reviews plan.   |
| June 17, 2016      | Public comment to BOS on aggregation plan closes.          |
| Ongoing            | Consumer outreach and education                            |
| June 21, 2016      | Board of Selectmen submits aggregation plan to DPU.        |
| September 15, 2016 | DPU approves plan.   |
| October 1, 2016    | Energy broker issues RFP for competitive supplier.         |
| October 15, 2016   | BOS selects competitive supplier.                          |
| January 2017       | Roll out of aggregation plan (first bill goes out).        |

### Contact

To submit your comments about the draft plan to the Board of Selectmen, e-mail <a href="mailto:pparks@brooklinema.gov">pparks@brooklinema.gov</a> by June 17, 2016 at 5:00 pm.

To speak with the Planning Department, contact Senior Planner Maria Morelli at <a href="mmorelli@brooklinema.gov">mmorelli@brooklinema.gov</a> or at 617-730-2670.